



# Klarinet Solutions Case Study

How Klarinet Solutions used revenue-based financing (RBF) to drive greater revenue growth and expand digital product line

Klarinet Solutions, founded in 2010, offers a full range of SharePoint Intranet consulting services, custom development, and managed services for workforce engagement.



The company specializes in three market segments:

- biopharma life science,
- legal,
- financial institutions.

Klarinet's target companies usually have an estimated one hundred employees and their largest client includes 14,000 employees worldwide—making their product, offerings, and services global. The company's plans for growth are focused on expanding their offerings and adding recurring revenue streams from each client, which is Klarinet Solutions' overall mission and goal—to better support its clients.

## Opportunities

- Flat mid six-figure revenues for (3) years
- Transactional lumpy sales. Competed mostly on price
- Small founding team

## Path to Partnering with Founders First

Klarinet Solutions compared traditional and other forms of financing before committing to revenue-based financing (RBF). There were two things that specifically drove Klarinet Solutions to RBF: First, not losing control of their business. Second, Klarinet Solutions sought strategic advisory support, and that is exactly what Founders First offers in conjunction with funding.

Through revenue-based funding, Klarinet Solutions has grown its revenue by 2.5 times over the course of two years and doubled the size of its staff. This allowed the company to augment in areas where they were weak and bring in additional resources that completed the picture. Klarinet Solutions is now on track to reach 10 times growth.

### After Founders First

- ! Revenues 2.5X within 24 months
- ! Revenue pipeline of \$1.5M with 4 new revenue streams and 2 new recurring revenue streams
- ! New SAAS Analytics and Digital Workforce Products
- ! Expanded team to 2.5X persons since 2017



What was attractive about RBF is that it was scalable to the revenue coming in, to the cash coming in, so that we didn't feel overwhelmed of having to make the payment.

The flexibility with RBF repayment doesn't force us to choose between making a payment or paying our team. The sliding scale is what sold us, that it's adjustable according to what we could do that month.

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